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6 IN THE UNITED STATES DISTRICT COURT  
7 FOR THE DISTRICT OF ARIZONA

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9 First Service Networks, Inc.,

No. CV11-1897-PHX-DGC

10 Plaintiff,

ORDER

11 vs.

12 First Service Maintenance Group, Inc.,

13 Defendant.

14 Plaintiff filed suit against Defendant alleging trademark infringement, unfair  
15 competition, unjust enrichment, and anticybersquatting. Doc. 1. Defendant filed a  
16 motion to dismiss the complaint pursuant to Federal Rules of Civil Procedure 12(b)(2)  
17 and 12(b)(3), or, in the alternative, to transfer the suit to the Southern District of New  
18 York. Doc. 15. The motion is fully briefed.<sup>1</sup> Docs. 22, 23. For the reasons that follow,  
19 the Court will grant Plaintiff's request for limited discovery.<sup>2</sup>

20 **I. Background.**

21 Plaintiff provides maintenance and repair services to property owners and began  
22 using the mark FIRST SERVICE NETWORKS in April 2001. Doc. 1 at 2-3. Plaintiff  
23 provides services to U.S. and international customers who have business locations in all  
24 50 states. *Id.* at 3. Plaintiff owns U.S. trademark registrations for FIRST SERVICE

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26 <sup>1</sup> Plaintiff's request for oral argument is denied because the issues are fully briefed  
27 and oral argument will not aid the Court's decision. See Fed. R. Civ. P. 78(b); *Partidge*  
*v. Reich*, 141 F.3d 920, 926 (9th Cir. 1998).

28 <sup>2</sup> Plaintiff's motion to file a sur-reply (Doc. 24) is **granted**. The Court has  
considered it in deciding this motion.

1 NETWORKS and FIRST SERVICE NETWORK & DESIGN. *Id.*

2 Defendant is also a maintenance and repair provider and began offering services  
 3 sometime around January 2009. *Id.* Defendant's website and marketing material use the  
 4 words "First Service," "1st Service," "1st Service Maintenance," and "First Services  
 5 Maintenance Inc." *Id.* Plaintiff alleges that Defendant trades on the goodwill of  
 6 Plaintiff's mark and has obtained profitability they otherwise would not have. *Id.*

7 **II. Analysis.**

8 Defendant argues that Arizona does not have personal jurisdiction over it. A  
 9 federal court has personal jurisdiction over a non-resident defendant when (1) the  
 10 applicable state rule or statute permits service of process on the defendant, and (2) the  
 11 assertion of personal jurisdiction comports with due process. *Chan v. Society*  
 12 *Expeditions, Inc.*, 39 F.3d 1398, 1404-05 (9th Cir. 1994). Arizona's long-arm statute  
 13 permits personal jurisdiction to the extent permitted by due process. *See* Ariz. R. Civ. P.  
 14 4.2(a). A plaintiff bears the burden of establishing personal jurisdiction. *See, e.g.,*  
 15 *Ziegler v. Indian River County*, 64 F.3d 470, 473 (9th Cir. 1995). Indeed, a plaintiff is  
 16 obligated to come forward with facts, by affidavit or otherwise, supporting personal  
 17 jurisdiction over the defendant. *Cummings v. W. Trial Lawyers Assoc.*, 133 F. Supp.2d  
 18 1144, 1151 (D. Ariz. 2001).

19 **A. General Jurisdiction.**

20 The Court may assert general jurisdiction over a defendant if its activities in the  
 21 forum state are substantial or continuous and systematic, even if the plaintiff's claims are  
 22 unrelated to those activities. *Haisten v. Grass Valley Med. Reimbursement Fund, Ltd.*,  
 23 784 F.2d 1392, 1396 (9th Cir. 1986); *see Goodyear Dunlop Tires Operations, S.A. v.*  
 24 *Brown*, 131 S. Ct. 2846, 2851 (2011). Other than allegations about Defendant's website,  
 25 Plaintiff does not argue or otherwise provide the Court with any evidence that establishes  
 26 general jurisdiction over Defendant. There is no evidence that Defendant engages in  
 27 business transactions with any residents or businesses in Arizona. Defendant's website  
 28 merely provides details about Defendant and its services, where it can provide the

1 services, and contact information. Merely maintaining a website that Arizona residents  
 2 may access is not enough to satisfy general jurisdiction requirements. *Hillman Group,*  
 3 *Inc. v. Hy-Ko Products Co.*, No. CV 07-2446-PHX-JAT, 2008 WL 3583253 at \*3 (D.  
 4 Ariz. Aug. 13, 2008); *see also Zippo Mfg. Co. v. Zippo Dot Com, Inc.*, 952 F. Supp. 1119,  
 5 1124 (W. D. Pa. 1997) (distinguishing between “passive” websites that merely provide  
 6 information and “active” websites through which commercial activity occurs).

7           **B. Specific Jurisdiction.**

8           The Ninth Circuit employs a three-prong test to determine whether a party has  
 9 sufficient minimum contacts for specific jurisdiction to exist: “(1) [t]he non-resident  
 10 defendant must purposefully direct his activities or consummate some transaction with  
 11 the forum or resident thereof; or perform some act by which he purposefully avails  
 12 himself of the privilege of conducting activities in the forum, thereby invoking the  
 13 benefits and protections of its laws; (2) the claim must be one which arises out of or  
 14 relates to the defendant’s forum-related activities; and (3) the exercise of jurisdiction  
 15 must comport with fair play and substantial justice, i.e. it must be reasonable.”  
 16 *Schwarzenegger v. Fred Martin Motor Co.*, 374 F.3d 797, 802 (9th Cir. 2004). The  
 17 plaintiff bears the burden of satisfying the first two prongs of the test. *Sher v. Johnson*,  
 18 911 F.2d 1357, 1361 (9th Cir. 1990). If the plaintiff fails to satisfy either of these prongs,  
 19 personal jurisdiction is not established in the forum state. If the plaintiff succeeds in  
 20 satisfying the first two prongs, the burden shifts to the defendant to “present a compelling  
 21 case” that the exercise of jurisdiction would not be reasonable. *Burger King Corp. v.*  
 22 *Rudzewicz*, 471 U.S. 462, 476-78 (1985). Plaintiff has failed to satisfy the first prong.

23           The first prong is satisfied by either purposeful availment (most often used in suits  
 24 sounding in contract) or purposeful direction (most often used in suits sounding in tort).  
 25 *Id.* The underlying federal claims here are based on trademark infringement, which  
 26 sounds in tort.<sup>3</sup> *GN Trade, Inc. v. Siemens*, No. Civ. S-11-0994 LKK/KJN, 2011 WL  
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28           <sup>3</sup> Plaintiff’s proof of personal jurisdiction also fails under the purposeful availment  
 standard. To satisfy this standard, Defendant “must do some act or consummate some

1 4591080 at \*2 (E.D. Cal. Sept. 30, 2011); *Panavision Int'l, L.P. v. Toeppen*, 141 F.3d  
 2 1316, 1321 (9th Cir. 1998) (stating trademark infringement and unfair competition case is  
 3 “akin” to a tort case). To satisfy purposeful direction, Plaintiff must establish that  
 4 (1) Defendant committed an intentional act, (2) expressly aimed at the forum state,  
 5 (3) causing harm that Defendant knows is likely to be suffered in the forum state.  
 6 *Brayton Purcell LLP v. Recordon & Recordon*, 606 F.3d 1124, 1128 (9th Cir. 2010).

7 Plaintiff argues that this Court has personal jurisdiction because Defendant’s  
 8 website asserts that Defendant does business in the lower forty-eight states. But merely  
 9 maintaining a passive website does not constitute purposeful direction sufficient to  
 10 support specific jurisdiction.<sup>4</sup> *Brayton Purcell LLP v. Recordon & Recordon*,  
 11 606 F.3d 1124, 1129 (9th Cir. 2010) (“It is beyond dispute in this circuit that maintenance  
 12 of a passive website alone cannot satisfy the express aiming prong.”) (citing *Holland Am.*  
 13 *Line Inc. v. Wartsila N. Am., Inc.*, 485 F.3d 450, 460 (9th Cir. 2007); *Pebble Beach Co. v.*  
 14 *Caddy*, 453 F.3d 1151, 1158 (9th Cir. 2006)). *But cf. Rio Props., Inc. v. Rio Int'l*  
 15 *Interlink*, 284 F.3d 1007, 1020 (9th Cir. 2002) (“[O]perating even a passive website in  
 16 conjunction with ‘something more’ – conduct directly targeting the forum – is sufficient  
 17 to confer personal jurisdiction.”) (citation omitted).

18 Plaintiff asserts that Defendant has a west coast office and is scheduled to be an  
 19 exhibitor at a Las Vegas conference. Doc. 22 at 5. Doing business on the west coast or  
 20 in Nevada does not, however, constitute purposeful direction at Arizona.

21 Plaintiff also “believes” that Defendant currently has contractors or subcontractors  
 22 transaction with the forum or perform some act by which he purposefully avails himself  
 23 of the privilege of conducting activities in the forum, thereby invoking the benefits and  
 24 protections.” *Cybersell, Inc. v. Cybersell, Inc.*, 130 F.3d 414, 416 (9th Cir. 1997). Plaintiff  
 25 has not identified any act or transaction of Defendant that is connected with  
 Arizona. Plaintiff relies solely on Defendant’s passive website and a belief that  
 Defendant has contractors in Arizona. This is not sufficient to establish purposeful  
 availment.

26 <sup>4</sup> Plaintiff asserts that if Defendant does not in fact do business in Arizona, then it  
 27 will be liable for false advertising as well as trademark infringement. Even if this were  
 28 true, Defendant could be held liable only in a jurisdiction where it is subject to personal  
 jurisdiction. False statements of purposeful direction do not necessarily constitute  
 purposeful direction.

1 providing services in Arizona. Defendant denies that it has conducted any activity in or  
2 derives any revenue from Arizona, and the affidavit of Andrea Fish, Defendant's  
3 president and COO, states under penalty of perjury that Defendant has never contracted  
4 to offer services in Arizona. Doc. 16 ¶ 23. Services provided by Defendant outside of  
5 Arizona, of course, are not "aimed at" Arizona for purposes of specific jurisdiction. *See*  
6 *GN Trade*, 2011 WL 4591080 at \*4 (selling products in Colorado did not constitute  
7 express aiming sufficient to support jurisdiction for a trademark action in California).

8        The Court concludes that Plaintiff has failed to show that Defendant purposefully  
9 has directed its activities at Arizona. Given this failure of proof, the Court need not  
10 address the other requirements of specific jurisdiction.

### **C. Leave for Jurisdictional Discovery.**

Plaintiff asks the Court to grant 90 days of limited discovery to establish jurisdictional facts. The Court will grant this request, but for a shorter period. Plaintiff may have until **June 29, 2012**, to conduct discovery on personal jurisdiction. Plaintiff may propound up to 10 requests for production of documents and 10 interrogatories (each including subparts), and may take up to three depositions of no more than four hours each. Defendant shall file a supplement to its motion to dismiss by **July 6, 2012**. Plaintiff shall file a response by **July 18, 2012**. No reply will be permitted, and the supplements will be limited to 10 pages each. The Court will enter a final ruling on the motion to dismiss after considering the supplement and response.

**IT IS ORDERED** that Plaintiff's motion to file a sur-reply (Doc. 24) is **granted**.

Dated this 24th day of April, 2012.

Daniel G. Campbell

**David G. Campbell  
United States District Judge**